



ACCORD CUSTOMER CARE SOLUTIONS LIMITED

1H2004 Financial Results

Analyst Briefing

4 August 2004



Agenda

- **Financial Highlights**
- **Our Network**
- **Business Updates**
- **Q & A**

1H2004 Results

- Financial Highlights -



P&L Highlights

S\$m	1H04	1H03	% chg
Revenue	123.5	38.5	+ 221
Operating Profit	20.0	9.1	+ 119
Profit before Tax	19.5	9.1	+ 115
Net Profit	18.1	7.7	+ 135

Segmental Analysis

S\$m	1H04	1H03	% chg
Revenue			
- AMS	64.0	33.9	+ 89
- DMS	62.6	4.5	+ 1286
Interco Eliminations	(3.2)	(0.0)	
Pretax Profit			
- AMS	13.8	8.5	+ 63
- DMS	5.5	0.6	+ 810
Pretax Margin			
- AMS	21.6%	24.9%	
- DMS	8.8%	13.4%	

P&L Explained

- **Other Operating Income down 92%**
 - one-off items in 1Q03 (e.g. royalties, government grants, FX gains)
 - lower management and corporate advisory fees upon acquisition of companies in the PRC and India
- **AMS margin down by 3.3 pts due to non-recurring other operating income in 1H2003**
- **DMS margin down by 4.6 pts due to increasing contribution from DMSPL's distribution business**

Balance Sheet Highlights

(S\$m)	30 June 2004	31 Dec 2003
Cash	32.2	32.6
Inventories	23.0	15.4
Other Investments	6.4	0.1
Goodwill on consolidation	34.9	11.9
Other Goodwill	14.1	2.2
Bank Borrowings	28.7	24.9
Bonds	7.1	0.0

Cash Flow Highlights

(S\$m)	1H04	1H03
Net Cash from Operating Activities	21.3	1.9
Net Cash used in Investing Activities	(22.1)	(13.4)
Net Cash from Financing Activities	1.5	31.1
Balance at End of Period	27.2	25.9
Cash & Cash Equivalents subject to restrictions	5.0	1.0
Adjusted Cash Balance at End of Period	32.2	26.9

Our Network



Our Network

	30 Jun 03	31 Dec 04	31 Mar 04	30 Jun 04
Brands	21	24	32	35
Service Centres	145	220	340	369
Repair Management Centres	168	168	668	668
Countries/Territories	14	14	15	15
Cities/Towns	40	48	139	144
Staff	1,075	1,266	1,896	2,280*

* estimated

Business Updates



Business Updates

India

- Reduction in tariffs
- Low penetration rate
- Buoyant economy
- Nokia Care Partner contract
- Expects S\$40M revenue contribution from India business in FY05

Business Updates

PRC

- Largest mobile phone market
- Fragmented AMS players
- Exploring strategic tie-ups with existing players in PRC

Business Updates

South Pacific

- Completed roll-out of nationwide network for Nokia in Australia
- To leverage on network to venture into related businesses (e.g. In-Focus contract)

Business Updates

Out-warranty services

- S\$7.2m (revenue) out-warranty contracts announced in June 2004

DMSPL Restructuring



DMSPL Restructuring

- **Acquisitions / restructuring in connection with proposed IPO**
- **ACCS stake in DMSPL to be reduced to not more than 50% by 31 Dec 2004**

Strategic Investment - VMS Bonds -



Q & A

